

A. Overview

In addition to activities at POEs, effective border management is an integrated effort that can be impacted by activities and issues far removed from the POEs themselves. Furthermore, everyone involved in border management recognizes the need to “push back the borders” or “secure the supply chain” so that elements of inspection can take place before a person or goods reach a POE, increasing security and facilitation. Border management is impacted by expansive borders between POEs that are the jurisdiction of the USBP, international issues that affect the movement of people and goods to the border and POEs, and state/local issues. Changes in any of these areas can have an impact on traffic flow at POEs and the quality of life in the communities surrounding them. Cooperation and coordination among governments, agencies, local stakeholders, industry, and travelers is critical in improving border security and facilitating the flow of legitimate traffic through POEs.

The DMIA specifies that the Task Force evaluate how the flow of traffic can be improved at POEs by increasing cooperation between the public and private sectors and among federal and state agencies (interpreted to also include local agencies). The statute also states that it is the sense of Congress that the Attorney General (now the Secretary, DHS), in consultation with the Secretary of State, the Secretary of Commerce, and the Secretary of the Treasury, should consult with affected foreign governments to improve border management cooperation. The Task Force is in a unique situation to address the issues of cooperation and coordination since it includes representatives from federal, state, and local governments as well as representatives from a broad range of private industries (aviation, maritime, land border groups, travel and tourism, and trade and commerce). The Task Force has optimized its various areas of expertise and interest in considering a wide range of cooperation and coordination mechanisms.

The Task Force went on fact-finding trips to many field locations during 2003 and saw some of the successes and challenges being met locally, regionally, nationally, and internationally by managers and line personnel. Everywhere the Task Force traveled, it was immediately obvious that people were intent on increasing cooperation and coordination. Whether these efforts were the result of necessity, as with the consolidation of federal agencies, or for the advancement of a joint interest, the results were unmistakable. The Task Force saw many successful examples of cooperation and coordination during its fact-finding trips, but also identified areas where these efforts could be increased and some “gaps” where further efforts are needed. For example, preliminary indications from 2002 and experiences in 2003 show that more systematic mechanisms are needed to coordinate with private industry in certain areas. The Task Force has identified issues and made recommendations based on them, as well as developing a model for a successful cooperation and coordination mechanism. These are discussed in detail later in this chapter.

In addition to the information gathered on site visits, the Task Force had to consider the significant effects of legislation in increasing cooperation and coordination in recent years. The USA PATRIOT Act required coordination with the Office of Homeland Security, and later the Homeland Security Act, establishing DHS, brought about even further coordination and cooperation by bringing together different agencies into one Department. Additionally, there are already various mechanisms in place among agencies and governments for coordination

on a variety of issues, as well as some sharing of data. Some of these mechanisms have produced specific agreements, and others provide opportunities for dialogue and joint solutions to common issues. Some are on a national/international level and others are on a regional or local level. Some address enforcement issues, others facilitation, and still others a combination of both; all are part of effective border management.

In 2003, the formation of DHS had a major effect on those federal agencies that work to secure our borders. INS, USCS, APHIS, TSA, USBP, and USCG are among the agencies that were integrated into the new Department, either in whole or in part. (Further information on select programs and organizations is available in Appendix D.) In general, the Task Force has observed a positive response to the shift to one, centralized Department rather than several disparate agencies. There are still difficulties in harmonizing processes and operations, but the streamlined chain of command has simplified many tasks, and the overall feeling is one of cooperation. The following section details the new organization of DHS, some of the accomplishments since its inception, and details concerning some of the agencies working to secure the borders.

B. Federal Intergovernmental Cooperation

Development of the Department of Homeland Security

Perhaps the most significant catalyst for change and increasing cooperation and coordination has been the creation and establishment of the new DHS. The effects were evident in 2003 as the new Department was established in January, and agencies began to transfer personnel and responsibilities beginning in March. A cornerstone of the DHS philosophy revolves around a commitment to partner closely with other federal agencies, state and local governments, first responders, law enforcement entities, and private industry to ensure the security of the U.S.

DHS Border Protection Agencies

In January of 2003, Asa Hutchinson, Under Secretary, BTS, stated that better coordination of the various agencies responsible for protecting our borders is a key to the success of the BTS mission. As discussed in Chapter 1, border inspections and security were previously the responsibility of agencies from three different departments: INS and USBP in the Department of Justice, USCS in the Department of Treasury, and APHIS in the Department of Agriculture. Additionally, both INS/USBP and USCS conducted criminal investigations, often resulting in duplication of effort. BTS has created two new bureaus that each has a single mission: CBP dedicated to securing borders and facilitating the movement of legitimate trade and travelers, and ICE to investigating criminal violations of immigration and customs laws.

CBP brings together the border protection and inspection functions of INS/USBP, USCS, and APHIS to focus exclusively on securing borders and facilitating the movement of legitimate trade and travelers. ICE merges the investigative and enforcement duties of USCS, INS, and the Federal Protective Service (FPS) to focus exclusively on the criminal investigations and enforcement of the nation's immigration and customs laws throughout the U.S., including locating and removing aliens who are in the U.S. illegally and securing federal buildings. On September 2, 2003, Secretary Ridge announced that the Federal Air Marshal Service (FAMS)

will transfer to ICE. The cross-training of FAMS agents and ICE agents will increase the number of agents who can be deployed in the event of a terrorist attack. This realignment of FAMS will enhance security by, “helping law enforcement agencies—federal, state, and local—to investigate and respond quickly to incidents at the nation’s airports and increase their ability to communicate swiftly and efficiently with DHS personnel involved in screening passengers and cargo, leading to comprehensive coverage of the aviation environment.”³⁶

The BTS Directorate is also responsible for securing our nation's transportation systems, which move people from our borders to anywhere in the country within hours. The recently created TSA, which is a bureau within the BTS Directorate, has statutory responsibility to protect U.S. transportation systems to ensure security and freedom of movement for people and commerce, including day-to-day federal security screening operations for passenger air transportation and intrastate air transportation.

The consolidation of all these agencies and responsibilities will take a significant amount of time to become efficient in terms of operations and scale. However, in the short period of time since its inception, DHS and its key components have accomplished a great deal, particularly in the areas of increasing cooperation and coordination.

Select BTS accomplishments since March 2003 include:

- Streamlined public and intra-agency processes related to inspections, detention, removal, and enforcement by bringing most federal inspection services within the CBP, in effect, providing “one face at the border.”
- ICE combined all the investigative functions of legacy USCS, INS, and the FPS into one bureau. ICE has taken steps to provide a single point of contact within DHS for U.S. Attorneys and other law enforcement agencies.
- Working with other federal agencies and private industry, TSA took steps to improve customer service by coordinating screening across different forms of transportation. For example, passengers who are disembarking from cruise ships in Miami can now have their baggage screened for their flight home right at the dock as they depart from their cruise. (See Chapter 2 for further information on this initiative, called the Synergy Project.)
- In July of 2003, CBP engaged in Operation Portwatch, the first major joint operation between the Office of Field Operations and USBP under CBP. This operation, in the Port of Tampa, also involved the USCG and FBI, and drew on the strengths of each agency, leading to the identification and arrest of numerous illegal aliens and U.S. citizens for violations ranging from criminal and administrative immigration violations to criminal possession of drugs and firearms.

³⁶ Press release from speech at the American Enterprise Institute in Washington, D.C.

- The Canine Detector Dog Working Group was established to develop a transition plan for integrating the canine programs of legacy USCS, INS, Agricultural Quarantine Inspection, and USBP into CBP. Each agency brings a distinct mission and culture to CBP based on their core legacy missions. The primary mission of the CBP canine program will be to detect and prevent terrorists and terrorist weapons from entering the U.S. with the traditional missions of the legacy agencies secondary. All four legacy agencies were represented in the working group by subject matter experts who provided program and technical information from their respective legacy agency. (More information on canine programs is provided in Appendix D.)
- CBP and ICE established cooperative mechanisms among air and marine operations and a process to coordinate deployment of ICE/Air and Marine Operations air assets and pilots to support CBP/USBP sectors in the augmentation of ongoing and enhanced border security efforts.
- Operation "Green Quest," a multi-agency task force led by ICE, continued its efforts to dismantle the financial infrastructure of Al Qaeda and other terrorist organizations. Under Project Shield America, ICE agents partner with U.S. manufacturers and exporters to guard against illegal arms exports.
- ICE launched a special operation to identify and remove persons with unknown or questionable identities with access to restricted areas of military installations. The effort called Operation Joint Venture, resulted in 37 arrests, 28 of whom were removed from the U.S.
- TSA inaugurated the Federal Flight Deck Officer Training Program. The first class concluded on April 19th, with 44 pilots certified to carry firearms in the cockpit as Federal Flight Deck Officers. The training was conducted at DHS's Federal Law Enforcement Training Center in Glynco, Georgia.

Ongoing Coordination Efforts among Federal Agencies

- **CBP/USBP Joint Operations:** During the summer of 2003 through August, elements of CBP, Office of Field Operations and USBP, worked joint operations at several checkpoint locations in Texas utilizing mobile VACIS gamma ray equipment. This cooperative effort resulted in the initiation of over 45 criminal cases, seizure of over 3,000 pounds of marijuana and over 80 pounds of cocaine, and the arrest of over 50 illegal aliens. (See Chapter 5 for VACIS images of several seizures.)
- **National Infrastructure Security Committee (NISC):** After the events of September 11, 2001, DOT established NISC to review security concerns across all modes of transport. NISC is comprised of the modal administrators of DOT's operating administrations. Six initial action groups were established: maritime, surface, rail, hazardous material, pipeline, and transit to address the security concerns within each mode. In order to focus on issues that cut across all modes (such as credentialing, communications and containers), three additional groups were established. All of these groups have worked extensively with other governmental departments (e.g., CBP co-

chairs the container working group) and with the respective industries to develop recommendations on infrastructure and supply chain security.

- **Tourism Policy Council:** Currently the Secretary of Commerce leads the Tourism Policy Council consisting of over 15 federal agencies and offices for coordinating policies and issues impacting travel and tourism. Membership includes DOS, CBP, and DOT.
- **Passenger Analysis Unit (PAU):** Most air and sea POEs have established a PAU to identify and assess potential inadmissible entrants destined for the U.S. by collecting and analyzing advance passenger information in several forms, in accordance with strict guidelines, using the best available technology and applications. Under CBP, PAU functions at many POEs have become jointly staffed with officers from legacy INS and USCS. This integration has strengthened the ability of PAUs to identify persons of interest for enforcement purposes. Since their inception, PAUs have made a major contribution in operational and tactical advanced information which produces leads for CBP inspectors engaged in field enforcement activities.

Task Force Observations of Intergovernmental Cooperation

During various site visits the Task Force made the following first-hand observations regarding federal intergovernmental cooperation and coordination.

San Ysidro: Task Force members visited the San Ysidro POE, the largest land border crossing, on May 1, 2003. The tour of San Ysidro POE included an overview of the primary and secondary processing for vehicles and pedestrians, the port enforcement processing center, and the use of SENTRI. Task Force members were particularly struck by the efforts being made in the areas of cooperation and coordination and communication during the transition to DHS at this very busy POE.

Senior level CBP managers provided the Task Force with an overview of the operations at San Ysidro and some of the challenges and accomplishments since the move to DHS. The feeling at San Ysidro was that the new organizational structure under DHS had already shown some success; for example, policy decisions are made more quickly and in a more responsive manner.

At the same time, the challenges in bringing together different agencies were apparent to the Task Force, especially in the area of coordination in communications. Communications remained a major issue at San Ysidro at the time of the visit (60 days into the consolidation into DHS), since employees from legacy agencies were still using radios and cellular equipment that were incompatible with each other and/or used different frequencies. CBP managers had devised an interim solution for local communication, pending a more permanent resolution. In order for the legacy agencies to successfully become integrated, more cross-training is needed for the inspectors, and the three legacy inspection agencies need to become more streamlined (at the time of the visit, they still had separate supervisors, pay systems, and budgets). There were still some gaps in coordination among “teams” from legacy agencies

working on projects that overlap. Locally, personnel had found temporary solutions for these issues.

The Task Force observed similar local cooperation and ingenuity at virtually every port, station, and office they visited this year. The Task Force was told on a site visit that as a result of the events of September 11, 2001, and the March 1, 2003, merger to DHS, there is a unanimous consensus that there is a greater level of cooperation among the legacy services and cooperation with other security, enforcement, and intelligence-related agencies.

Seattle: On July 23, 2003, the Task Force visited the Seattle CBP field office and was given an overview of the airport and seaport operations. The merger of the agencies under DHS is flowing relatively smoothly due to a prior working relationship between them. They have begun to work even more closely; legacy USCS inspectors have already been cross-trained and are able to conduct primary inspections at the airports and seaports. Despite the streamlined workforce, facility issues still remain a factor. The Task Force toured the Seattle International Airport and observed space constraints in the primary and secondary inspection areas.

Miami: The Task Force traveled to Miami in August of 2003 for its final site visit. Members were given an overview by CBP, one of the topics of which was the operational merger of legacy agencies to DHS. This gave the Task Force an idea of how the “one face at the border” mission was progressing six months after the shifting of legacy agencies to DHS. In Miami, the operational merger has been successful to date in terms of personnel, while problems remain in the areas of facilities and IT interconnectivity. Now, under DHS, there is a unity of command; there are interim port directors who are responsible for the entire port (there are 5 ports in the Miami area). Benefits of this unity include:

- Outbound operations brought legacy INS and USCS together and increased the scope; they now find more violations;
- Primary inspection is moving towards unification; legacy USCS officers will be working primary lines along with legacy INS officers; and
- Cargo is moving toward one-stop inspection.

The Task Force observed a PAU at MIA. The PAU operates by the sharing of information between airlines and federal agencies then conducting joint operations with state and local organizations, where appropriate. CBP in Miami advised the Task Force that this PAU is responsible for approximately one-third of all seizures at Miami International Airport. They have expanded efforts and launched a Joint Passenger Analysis Unit (JPAU) with Canadian officers as part of the “30-Point Plan” agreement between the U.S. and Canada. There is more information about these initiatives later in this chapter.

At MIA, legacy INS and USCS utilize a joint operation control center (JOCC) within the FIS area. This center allows all officers to be proactive in addressing potential terrorist threats and to coordinate a response or make decisions on common issues in a timely manner.

Task Force members observed, in MIA, legacy Customs canine units checking for drugs, chemicals, and explosives. The Task Force also saw Agriculture's Beagle Brigade who demonstrated their ability to sniff out food products in baggage that could be carrying unwanted pests and other materials that could pose a risk to U.S. agriculture. The Task Force is aware of the need for more canine units, and this need is discussed further in Chapter 5.



CBP (legacy U.S. Customs Service) K-9 unit checking baggage coming down an outdoor conveyor belt. Miami International Airport. August 2003.



CBP (legacy APHIS) K-9 team. "Beagle Brigade," demonstrating their prowess in searching for food products among luggage being brought into the U.S. by international travelers. Miami International Airport. August 2003.



CBP agriculture specialist among some of the produce that was confiscated, with some assistance by the "Beagle Brigade," during the past 24 hours from international travelers entering the U.S. Miami International Airport. August 2003.

C. Cooperation Among Federal, State, and Local Governments

Effective coordination between federal, state, and local governments is a vital link in homeland security and helps increase effectiveness in border security. The creation of DHS provides an opportunity to change the character of the interaction between the Federal Government and their state and local partners. Traditionally, in matters of security, the Federal Government has assumed primacy over other non-federal agencies and has not provided state and local agencies with the full range of information and support. Secretary Ridge has stated repeatedly, that “homeland security is not a federal priority, but a national priority,”³⁷ meaning that all levels of government must be involved in securing the homeland. DHS has already been able to expedite distribution of millions of dollars in grant monies, largely supporting first responder and enhanced security efforts, to states, counties, and cities.

With the creation of the Department, a new Office of State and Local Coordination was established in the Office of the Secretary to be the conduit for policy interaction, information sharing and coordination of activities between the governmental partners. Prior to the creation of the new Department, these functions were handled by the White House’s Office of Homeland Security through their intergovernmental staff.

Ongoing Coordination Efforts with State and Local Governments

- **Coordination with Local Law Enforcement:** The CBP Office of Field Operations and USBP coordinated with New York law enforcement officers to incorporate 120 New York State Troopers into border security efforts between the POEs. State Troopers will have a supporting role in front line activities.
- **Law Enforcement Support Center (LESC):** One of the primary ways the legacy INS and now ICE assists state and local law enforcement is through the LESL, located in Burlington, Vermont. The primary mission of the LESL is to help other law enforcement agencies determine if a person they have contact with, or have in custody, is an illegal, criminal, or fugitive alien. The LESL provides a continuous link between federal, state, and local officers and the databases maintained by the DHS and others, and is available 24 hours a day, seven days a week.
- **The Border Station Partnership Council (BSPC):** BSPC is comprised of multiple federal agencies working with other government and private entities as appropriate. The BSPC was created because there was a need to look at land border facilities as part of a collaborative infrastructure system (which includes access to the POEs), enhance the coordination of planning processes, centralize border station planning management, improve communication on border management issues, and coordinate among public and private entities.

The BSPC also plans to engage in the sharing of shrinking resources to manage the border infrastructure program in a cost-effective manner and to participate in information

³⁷ National Association of Counties Homeland Security Task Force meeting, October 25, 2001.

exchange and clearinghouse of program initiatives. The BSPC's long-range plan is to establish a comprehensive plan and methodology that identifies and measures critical border initiatives to determine FIS priorities.

Task Force Observations of Cooperation among Federal, State, and Local Governments

While on various site visits, the Task Force made observations of cooperation among governments.

Los Alamos: The Task Force observed an excellent example of cooperation and coordination while in Los Alamos, New Mexico. LANL developed a new "first responders" plan after devastating forest fires nearly overran that facility in May 2000, as well as the surrounding community and forestlands. LANL, one of the world's largest scientific centers, covers 43 square miles and employs more than 10,000 people, a driving force of the local and state economy. The surrounding community is home to more than 18,000 people, vast acreages of national forest, and pueblo land. As the first responder's plan was developed, every federal, state, and local agency with any responsibility for the protection of LANL and surrounding areas was included. The planning, development, and building of a new Emergency Operations Center (EOC) under regular control of LANL's emergency response team was done jointly. This new EOC includes facilities and offices capable of handling representatives from all response agencies, and while the facility was being planned, the decision was made to include Los Alamos County's Public Safety Answering Point (PSAP, or 911 answering facility) within the structure. By taking this extraordinary step, LANL had immediate physical, as well as electronic access to emergency communications. The EOC benefits from the Los Alamos County presence, and the County now has greater access to an important "first responders" facility.

Quincy Library Group: A coordinated process for consultation like the "Quincy Library Group" process in Northern California is another useful model of cooperation and coordination. In 1992, frustrated over a stalemate over timber management, a county commissioner and a local environmentalist convened a meeting at the Quincy, California, library of the broadest array of the community—including unions, timber companies, local businesses, the school district—virtually every sector. Each was asked to state their core values—those that were inviolate. Everyone agreed that any consensus agreement would value and protect all of these core values.

After many sessions, they were able to fashion a "win-win" agreement that integrated environmental health and economic wellbeing, without damaging the core values of any participant. This achievement was so extraordinary, the combined group went to Washington, D.C., and was successful in lobbying to get legislation enacted to implement their plan over the U.S. Forest Service's objection. This protection of interests allowed the group to establish trust, and fostered an open, and ultimately successful, negotiation that benefited all.

El Paso: The Task Force has observed that coordination among federal officials and local interests is often a function of the personality of the officials more than a skill set. The Task Force saw this in El Paso where there is a strong cooperative mechanism in place. Attendees at the stakeholders' meeting, convened by local officials at the request of the Task Force,

made it clear that Ciudad Juarez and El Paso are together a community, and the economic and social well-being of their bi-national community depends on the ease of crossing the border. The general feeling was that communities on both sides are suffering economically, and any increase in security measures that further delays crossings impact citizens on both sides of the border. Participants at the meeting were quick to point out the cooperative efforts in place in their community, while expressing concern about lack of responsiveness from Washington.

Locally, in El Paso/Ciudad Juarez, government agencies collaborate with the private sector using monthly steering committee meetings. The SENTRI program there was a collaborative effort in which the bi-national community was invited to participate. In fact, community input was so persuasive in El Paso, that the Stanton Street Bridge POE became the dedicated commuter bridge crossing instead of another location where federal officials had originally intended the SENTRI lanes to be placed. Federal officials live in and are part of the community, have a vested interest, and have developed trust.

D. Cooperation Between Government and Industry

The Task Force has observed the effectiveness and recognizes the potential of partnerships between government and industry. Essentially, structured agreements whereby investments in technology, infrastructure, security, etc., are made by the parties involved result in better security and facilitation of goods and people. This section describes some of these efforts to increase cooperation and coordination by creating partnerships between government and industry. These efforts increase security by making industry and government partners in border protection. Examples of such partnerships include Operation Safe Commerce (OSC), Customs-Trade Partnership Against Terrorism (C-TPAT), the 24-Hour Rule, Free and Secure Trade (FAST), and the Automated Commercial Environment (ACE).

Operation Safe Commerce (OSC)

As part of the Department's effort to secure cargo as it moves through ports, Secretary Ridge announced \$58 million in funding for OSC³⁸, a pilot program in coordination with DOT that brings together private business; ports; and local, state, and federal representatives to analyze current security procedures for cargo entering the country. The program's objective is to evaluate procedural, technological, and process improvements to improve the security and integrity of containers through the supply chain. The ports of Seattle, Tacoma, Los Angeles, Long Beach, and the Port Authority of New York/New Jersey are participating in the pilot program. Seventy percent of the oceanborne container movement in this country originates or terminates at these locations.

OSC is an innovative public-private partnership dedicated to enhancing security throughout international and domestic supply chains while facilitating the efficient cross-border movement of legitimate commerce. This initiative began in New England as a local public-private partnership where federal, state, and local law enforcement entities and key private sector

³⁸ www.tsa.gov/public/display?theme=88. Accessed 10/7/03.

entities combined efforts to design, develop, and implement a means to test available technology and procedures in order to develop secure supply chains. The OSC New England initiative analyzed a supply chain shipment between Eastern Europe and New Hampshire. The full container shipment was fitted with onboard tracking sensors and door seals. It was constantly monitored through the various transportation modes as it traveled through numerous countries and government control functions.

The second phase of OSC will distribute grants to the above-mentioned ports to identify specific supply chains along particular trade routes and analyze every aspect of the supply chain from packaging to delivery for vulnerabilities. Based on their analysis, the ports will propose plans to improve security throughout the supply chain. Finally, these potential solutions to improve container security will be tested in an operating environment.

How OSC Will Work: OSC will demonstrate what is needed to ensure that parties associated with commercial shipping exert reasonable care and due diligence in packing, securing, and manifesting the contents of a shipment of goods in a container. In addition, OSC will demonstrate various methods of ensuring that the information and documentation associated with these shipments is complete, accurate, and secure from unauthorized access. The project will ultimately gauge the security of the supply chain with these new procedures in order to determine their viability. This is essentially the concept referred to as “securing the supply chain.”

The Task Force observed OSC at the Port of Los Angeles (POLA). In an attempt to stop any potential problem containers before reaching the U.S., they are shifting select parts of the inspections process overseas prior to arrival. An MOU has been signed with Hong Kong and Singapore for cooperation and advance screenings/inspections of containers bound for the Port of Los Angeles.

OSC Management: An executive steering committee is responsible for the management and success of OSC. It consists of at least one representative from the following organizations: U.S. DOT, Under Secretary for Transportation Policy (Co-Chair); DHS, CBP Deputy Commissioner (Co-Chair); DHS, Transportation Security Administration; U.S. DOT, Office of Intermodalism; DHS, USCG; DOS (S/CT); U.S. Department of Commerce; U.S. Department of Justice (DAG); and Office of Homeland Security.³⁹

Customs-Trade Partnership against Terrorism (C-TPAT)

The legacy USCS started C-TPAT, an anti-terrorism initiative that engages the trade community in a cooperative relationship with CBP. Under the C-TPAT initiative, CBP works with importers, carriers, brokers, and other private industry groups to create a seamless, security-conscious environment throughout the entire commercial process. By providing a forum in which the business community and government agencies can exchange anti-terrorism ideas, concepts, and information, both the government and business community increase the security of the entire commercial process from manufacture to distribution. This program underscores the importance of employing best business practices and enhanced security measures to eliminate the trade’s vulnerability to terrorist actions.

³⁹ www.tsa.gov/public/display?theme=88. July 7, 2003

Seven of America's Fortune 500 companies helped legacy USCS develop the program: BP America, Daimler-Chrysler, Ford, General Motors, Motorola, Sara Lee, and Target. More than 4,000 companies have already signed C-TPAT agreements.

How C-TPAT Works: Under this program, businesses must conduct comprehensive self-assessments of their supply chain using the security guidelines developed jointly with legacy USCS, and they must familiarize companies in their supply chain with the guidelines and the program. In short, these businesses must provide specific and relevant information about their trucks, drivers, cargo, suppliers, and routes to CBP. As a C-TPAT member, companies may become eligible for expedited processing and reduced inspections. A benefit of C-TPAT membership is a single point of contact for C-TPAT matters.

At the unveiling of C-TPAT, CBP Commissioner, Robert C. Bonner said, "The message should be clear. If a business takes steps to secure its cargo against terrorism, we will give it the 'fast lane' through the border. . . . Business wins, government wins, and most importantly, the American people win."⁴⁰

24-hour Rule

The "24-hour Rule" requires an advance cargo declaration from sea carriers and became effective on December 2, 2002. In February, 2003, the initial phase of the enforcement began, with "no-load" directives for violations⁴¹.

How the 24-hour Rule Works: CBP uses the cargo information to identify and eliminate potential terrorist threats before a vessel sails from a foreign port to U.S. seaports, rather than after a vessel and its cargo arrive in the U.S. The 24-hour rule requires sea carriers and non-vessel operating common carriers (NVOCC) to provide CBP with detailed descriptions of the contents of sea containers bound for the U.S. 24 hours before a container is loaded on a vessel.

In the preliminary stages of implementation, ports experienced some cargo delays due to post-arrival issues. During this time, CBP continuously worked with industry at all levels to resolve these issues by forming a working group with the Commercial Operations Advisory Committee (COAC), implementing training sessions for industry, and creating a special bill in the Automated Manifest System (AMS) that CBP expects to make available to industry in December 2003. This programming in AMS was developed by group consensus with the carriers and NVOCCs.

Free and Secure Trade Program (FAST)

The FAST program is a bilateral initiative between the U.S. and Canada designed to ensure security and safety while enhancing the economic prosperity of both countries. In developing this program, Canada and the U.S. have agreed to harmonize, to the greatest extent possible,

⁴⁰ www.cbp.gov. July 7, 2003

⁴¹ A "no-load" directive means that CBP has instructed an ocean shipping line not to load a container at a foreign port for delivery to the U.S.

their commercial processes for clearance of commercial shipments at the border. This will promote free and secure trade by using common risk-management principles, supply chain security, industry partnership, and advanced technology to improve the efficiency of screening and clearing commercial traffic at our shared border.

FAST Objectives: FAST is an ambitious program in terms of scope and the speed of implementation. For the U.S. and Canada, and commencing in September 2003 for the U.S. and Mexico, the initiative's promises to revolutionize the processing of transborder trade. FAST objectives include:

- Increase the integrity of supply chain management by offering expedited clearance to carriers and importers enrolled in C-TPAT, or Canada's Partners in Protection (PIP).
- Streamline and integrate registration processes for drivers, carriers, and importers, minimizing paperwork and ensuring only low-risk participants are enrolled as members.
- Expedite clearance of low-risk transborder shipments by reducing CBP information requirements, dedicating lanes at major crossings to FAST participants, using common technology, and physically examining cargo transported by these low-risk clients at the lowest levels possible.
- Act as a catalyst for CBP and the respective Canadian and Mexican Customs to integrate and enhance technologies (for example, transponders employed on both sides of the border) to make it even easier to clear low-risk shipments and mitigate the cost of participation for FAST partners.
- The initial phase of FAST for U.S. and Mexico-bound commercial shipments is scheduled to begin in El Paso in the fall of 2003, with additional locations to be operational by January 2004.

Automated Commercial Environment (ACE)

The current system of tracking and processing imports, the Automated Commercial System (ACS), is outdated and expensive to maintain. ACS was designed for trade levels of more than a decade ago, and the volume of trade since then has increased dramatically. The Modernization Act mandated that legacy USCS establish a plan to answer this problem. The Automated Commercial Environment (ACE) is the plan they established. ACE is a vastly improved and expanded automated processing system for imports and eventually for exports. The development of ACE has been a major undertaking and continues to face obstacles in being finalized and operational.

ACE moves CBP from a transaction-based approach to using an account-based system founded on compliance measurement and predicated on reengineered ways of doing business. Companies coordinating with CBP create mutually beneficial outcomes, including raised compliance, minimized data requirements at time of release, and the ability to make payments on a periodic basis. The benefits of this approach include standardization, shorter

processing time, more efficient information collection and dissemination, and greater opportunities to fulfill the agency's enforcement mission.

Ongoing Cooperation Efforts between Government and Industry

- **North American Trucking Industry:** The North American trucking industry has been working to improve the efficiency, safety, and security of cross-border trucking movements for more than a decade. With the increasing trade levels among Canada, Mexico, and the U.S., the trucking industry has worked to improve not only international trade operations, but also the efficacy of border facilities and government systems that clear cargo, vehicles, and drivers as they operate across North America's common borders. However, further investments in border infrastructure, both physical and technological, are greatly needed to improve the speed, safety, and security with which cargo moves throughout our three countries.
- **The Aviation Security Advisory Committee (ASAC):** (ASAC) was established to advise and assist the Federal Aviation Administration (FAA) on its development and implementation of civil aviation policy, procedure, and regulation. Upon the creation of TSA, the ASAC charter was transferred from FAA to TSA. In 2003, the ASAC established several working groups to focus on critical aviation security arenas, including cargo and general aviation. CBP, ACI-NA, and Air Transport Association are ASAC Members.
- **The Maritime Security Advisory Committee:** The Committee was established by the Maritime Transportation Security Act and is sponsored by the USCG. A Federal Register Notice has solicited applicants for the Committee and the selection process is currently underway.
- **The Airport/Seaport User Fee Advisory Committee:** Formerly known as INS Immigration User Fee Advisory Committee, this Committee was established to advise and assist the legacy INS (now CBP) on its development and implementation of immigration policy, procedure, and regulation specific to the air POE and sea POE environment. This committee was also established as passengers subjected to immigration inspection at air and sea POEs must pay a user fee for such an inspection. User fee revenues fund the majority of air and sea inspection activities. This is opposite from the land border POEs where the majority of individuals crossing the border locally are not required to pay a user fee for inspection. ACI-NA, Air Transport Association, and ICCL are committee members.
- **Cargo Handling Cooperative Program (CHCP):** The CHCP, sponsored by the Maritime Administration, seeks to increase the productivity of marine freight transportation companies through cargo-handling research and development. The CHCP, conceived as a public/private partnership, was designed to foster research and technology development among its members and to actively pursue innovative cargo-handling developments to increase the productivity and cost effectiveness of cargo operations.

- **Intermodal Freight Technology Working Group (IFTWG):** The IFTWG works to apply intelligent transportation system technologies to improve freight and equipment visibility throughout the global intermodal logistics chain, to optimize asset utilization, and to reduce costs. It also works to understand and plan for the behavioral, organizational, and process changes associated with intermodal technology implementation. IFTWG has established extensive partnerships through initiatives, products, and funding within the intermodal and international stakeholder community and is actively involved in prototyping solutions for efficient cargo movement. Their model deployments and programs are designed so that they can be applied to the global marketplace and can provide tangible benefits to both the public and private sectors.

Task Force Observations of Cooperation between Government and Industry

During the site visits that the Task Force made this year, members made many observations. The following are some of the examples of cooperation between government and industry that the Task Force observed.

Vancouver/Seattle: In Seattle, the Task Force saw many examples of government and industry working together to facilitate passenger and cargo inspections. Task Force members toured the Pier 30 Cruise Terminal, a newly constructed facility that was built in 10 months using the “turnkey approach” (further information on this approach is included in Chapter 2 of this report). The cruise terminal was a joint project of the city of Seattle, the Port of Seattle, federal agencies, and cruise lines and is a solid example of cooperation between government and industry and what such efforts can be accomplish.

The Task Force also toured Pier 69 where the Victoria Clipper Passenger Ferry docks and saw the passenger inspection process. The owners of the facilities have purchased security devices in anticipation of government mandates to do so. They have on-site x-ray machines, radiation pagers, and have installed cameras on the dock. This is a good example of government communicating early with industry, and industry integrating new processes with a minimum of disruption.

During the Vancouver/Seattle site visit the Task Force observed a CBP targeting unit identifying high-risk cargo, in part by utilizing the 24-hour rule. Targeting was done, not only on U.S.-bound cargo, but also on freight remaining on board (FROB), which must also be manifested. The targeting unit was able to concentrate its efforts on high-risk cargo due to cooperative efforts in implementing the 24-hour rule, benefiting the carrier and the officers. Canadian officers also worked at the cargo facility with U.S. officers, jointly sharing information and increasing effectiveness.

Another example of government and industry cooperation that the Task Force observed in Vancouver and Miami is the Synergy Project which is discussed in-depth in Chapter 2. This effort between TSA, American Airlines, and RCCL benefits the travelers, cruise lines, airports, and government agencies.

E. Cooperation With Foreign Governments

As efforts continue to foster cooperation and coordination among various government and industry entities within the U.S., the Task Force is cognizant of the importance of increasing cooperative efforts with foreign governments. Cooperative relationships with foreign governments make security possible and ensure economic vitality. As stated earlier, it is accepted that “pushing back the border” so that elements of inspection can take place before a person or goods arrives at the border increases security and facilitates the movement of legitimate people and goods; initiatives that attempt to do this can only be implemented with the cooperation of foreign governments. Likewise, the management of the physical border can only be successful with the cooperation of the countries on both sides. Chapter 2 of this report contains information about preclearance and preinspection operations that exist in some locations; similarly, there are initiatives in place that pre-screen containers before they reach U.S. ports through agreements with foreign governments. In addition to these initiatives, the U.S. has many ongoing efforts with foreign governments that aim to address security issues while moving legitimate traffic through POEs. The following section provides an overview of efforts and initiatives along with Task Force observations in the area of cooperation with foreign governments.

The Container Security Initiative (CSI)

CSI is an existing CBP program incorporating side-by-side teamwork with foreign port authorities to identify, target, and search high-risk cargo. Since nearly 70 percent of all U.S.-bound sea containers pass through 20 major seaports around the globe, the program focused on these 20 ports⁴² in the first phase. CSI has now moved into its second phase and has expanded to strategic locations beyond the initial 20 major ports. In June 2002, the World Customs Organization passed a resolution that will enable ports in all of the 161 member nations to begin development of programs similar to CSI.

In January 2002, the legacy USCS launched CSI to prevent global containerized cargo from being exploited by terrorists. This initiative enhanced the security of sea cargo which is a vital link in global trade. Some 200 million sea cargo containers move annually among the world’s top seaports, and nearly 50 percent of all U.S. imports arrive by sea. CSI consists of four core risk management elements:

- The use of intelligence and automated information to identify and target high-risk containers;
- The prescreening of containers identified as high-risk before they arrive at U.S. ports;
- The use of detection technology to quickly prescreen high-risk containers; and
- The use of smarter, tamper-evident containers.

⁴² Top 20 foreign ports (exports to U.S.): 1. Hong Kong; 2. Shanghai; 3. Singapore; 4. Kaohsiung; 5. Rotterdam; 6. Pusan; 7. Bremerhaven; 8. Tokyo; 9. Genoa; 10. Yantian; 11. Antwerp; 12. Nagoya; 13. Le Havre; 14. Hamburg; 15. Spezia; 16. Felixstowe; 17. Algeciras; 18. Kobe; 19. Yokohama; 20. Laem Chabang.

These core elements are meant to intensify the targeting and screening of containers before they are sent to their final destinations, to include national security factors in targeting, and to provide additional outreach to U.S. industry for cooperation, idea generation, and data collection.

Benefits of CSI include:

- Increased ability to intercept terrorist weapons;
- Increased security of the global trading system;
- Facilitation of legitimate trade;
- Protection of port infrastructure; and
- International reciprocity.

The cooperative nature of CSI helps enforcement and facilitation. CSI partners work with CBP to develop best practices. Cooperative targeting with foreign partners results in: better information, which improves targeting and decisions; fewer containers being identified as high-risk (for better facilitation); and high-risk determination based on more complete information.

How CSI Works: CSI involves placing CBP team members at major foreign seaports to work with the host government to identify and target high-risk containers for pre-screening. The host government conducts screening while the U.S. CSI team observes.

Since CBP Commissioner, Robert C. Bonner first announced CSI in January 2002, CBP has reached agreements with foreign governments representing 19 of the top 20 ports (in terms of volume of cargo shipped to the U.S.). CSI will become operational at other ports soon, and agreements with additional countries are imminent. Commissioner Bonner announced in June that CSI is operational at the ports of Gothenburg, Sweden, and Felixstowe, England, bringing the total number of operational CSI ports to 13. CSI is already operational in Rotterdam, Le Havre, Bremerhaven, Hamburg, Antwerp, Singapore, Yokohama, Hong Kong, Vancouver, Montreal, and Halifax.

On June 12, 2003, Secretary Ridge announced phase two of CSI, "The Container Security Initiative has emerged as a formidable tool for protecting us from the threat of terrorism," said Secretary Ridge. "Now that we have almost achieved our goal for CSI at nearly all of the top 20 ports we will be expanding CSI to other ports that ship substantial amounts of cargo to the United States and that have the infrastructure and technology in place to participate in the program."⁴³

⁴³ www.dhs.gov accessed October 7, 2003.

Ongoing Coordination Efforts with Foreign Governments

- International Air Transport Association/Control Authorities Working Group (IATA/CAWG):** IATA/CAWG is a multi-government effort representing 22 countries, primarily from Western Europe, the U.S., Canada, and the Pacific Rim. IATA/CAWG is concerned with continuing an open and informal dialogue between the control authorities and the represented international air carriers. To accomplish this, IATA/CAWG holds two meetings each year in varied locations. Topics of interest to both the carriers and governments are discussed, including such issues as the transportation of inadmissible passengers by international carriers, carrier liability, fraud trends, technological developments relating to international travel and document examination, statutory and regulatory developments in member countries, and training.
- U.S./Mexico Joint Working Committee on Transportation Planning (JWC):** The JWC coordinates various planning processes for border transportation activities. The group is co-chaired by the FHWA Office of Planning and Environment and the Mexican Secretariat of Communications and Transportation (SCT). In addition to FHWA and SCT, JWC membership includes representatives from DOS, the Mexican Secretariat of Foreign Relations, the Departments of Transportation of the four U.S. border states, and the six Mexican border states.

JWC operates under a Memorandum of Understanding signed October 12, 2000, by former Secretary of Transportation Rodney Slater and former SCT Secretary Carlos Ruiz. It states that the JWC will work on the following topics: border infrastructure needs assessment, geographic information systems, intelligent transportation systems, border technology exchange program, transborder corridor planning, innovative financing, and a coordination system for operation of border POEs.

- Trans Border Working Group (TBWG):** The TBWG is co-chaired by FHWA Office of Intermodal and Statewide Programs and Transport Canada and works to improve the safe, secure, and efficient movement of passengers and trade across the border. While the TBWG is co-chaired by a federal representative, there is considerable U.S. state and local government and Canadian provincial government involvement on both sides of the border.

This group is jointly assessing border infrastructure needs along the U.S./Canada border. They met in June 2002 to formalize the group's "Terms of Reference" charter and to develop tasks/activities for the action plan for the coming year. One of the main efforts will be to create a compendium study on border infrastructure needs.

- The Border Liaison Mechanism:** This is a border alliance mechanism that includes federal, state, and local entities from the U.S. and Mexican sides of the border. Federal agencies collaborate with the private sector to help develop agendas between Mexican and U.S. officials. In addition to monthly steering committee meetings, meetings can be called very quickly to handle situations as they arise. The federal officials who are involved with this group live in and are part of the community, helping build trust with the

public, local officials, and private sector leaders. This helps alleviate the fears in this community that Washington does not listen to local concerns. Their bi-national working group is ideal, as customs/immigration challenges and solutions affect, not only the U.S., but also Mexico. The U.S. consular relationship with CBP and Mexican government counterparts facilitates cross-border initiatives.

- **Joint Passenger Analysis Units (JPAUs):** One point of the U.S./Canada Shared Border Accord was to establish and deploy JPAUs, staffed jointly by Canada and CBP personnel in the U.S. and Canada on a pilot basis.

A JPAU has existed on a pilot basis at MIA, and in Vancouver since September 30, 2002.⁴⁴ Evaluation of the pilot by a private contractor is underway. The completed evaluation will provide the basis for consensus regarding the continuation of existing JPAU units and the establishment of additional units over time.

The JPAU is designed to enhance the common security and defense of the U.S. and Canada by providing resources for cooperative targeting efforts between each nation's border enforcement entities. JPAUs identify and assess potential inadmissible entrants destined to the U.S. and/or Canada by collecting and analyzing advance passenger information in several forms, in accordance with strict guidelines, using the best available technology and applications. The primary emphasis of JPAU targeting work lies within the realm of counter-terrorism and homeland security.

- **The International Mobility and Trade Corridor Project (IMTC):** The IMTC project was initiated in 1996 to formally and cooperatively identify and promote improvements in the transportation and inspection systems for the "Cascadia Gateway" (British Columbia-Washington State). The goal is to increase cross-border mobility, safety, and security.

Participants include U.S. and Canadian government officials at the federal, state/provincial, and local levels, along with a diverse group of industry representation. The secretariat is provided by Whatcom Council of Governments for over 70 participating organizations. Objectives of IMTC involve specific identified priorities in infrastructure, planning and data, operations policy and staffing.

- **Smart Border Declaration:** In December 2001, Homeland Security Director Ridge and Canadian Minister of Foreign Affairs Manley signed a Smart Border Declaration, which includes 30 initiatives aimed at enhancing security along our shared border. The Declaration outlines the 30-point action plan⁴⁵, based on four pillars, to collaborate in identifying and addressing security risks while efficiently and effectively expediting the legitimate flow of people and goods back and forth across the U.S./Canada border. A key element of this bi-national plan is NEXUS, technology designed to enhance security and improve traffic flow along the U.S./Canada border. NEXUS lanes reduce the wait times for known travelers, and the expanded use of automation and technology enables

⁴⁴ Canada Customs and Revenue Agency personnel did not join the Miami JPAU until October 22, 2002, and the Vancouver JPAU until October 28, 2002.

⁴⁵ Available at www.canadianembassy.org/border/actionplan-en.asp

officers from both the U.S. and Canada to focus more attention on higher risk traffic. The 30 initiatives are listed below.

- 1) Jointly develop on an urgent basis common biometric identifiers in documentation such as permanent resident cards, NEXUS, and other travel documents to ensure greater security.
- 2) Develop and deploy a secure card for permanent residents that includes a biometric identifier.
- 3) Resume NEXUS pilot project, with appropriate security measures, for two-way movement of pre-approved travelers at Sarnia-Port Huron, complete pilot project evaluation and expand a single program to other areas along the land border. Discuss expansion to air travel.
- 4) Review refugee/asylum practices and procedures to ensure that applicants are thoroughly screened for security risks and take necessary steps to share information on refugee and asylum claimants.
- 5) Negotiate a safe third-country agreement to enhance the managing of refugee claims.
- 6) Initiate joint review of respective visa waiver lists and share look-out lists at visa issuing offices.
- 7) Finalize plans/authority necessary to implement the Preclearance Agreement signed in January 2001. Resume intransit preclearance at Vancouver and expand to other airports per Annex I of the Agreement.
- 8) Share API and agreed-to passenger name records on flights between Canada and the U.S., including in-transit flights. Explore means to identify risks posed by passengers on international flights arriving in each other's territory.
- 9) Establish joint units at key international airports in Canada and the U.S.
- 10) Review customs and immigration presence and practices at international ferry terminals.
- 11) Develop jointly an automated database, such as Canada's Support System for Intelligence, as a platform for information exchange and enhance sharing of intelligence and trend analysis.
- 12) Increase number of Canadian and U.S. immigration officers at airports overseas and enhance joint training of airline personnel.
- 13) Undertake technical assistance to source and transit countries.

- 14) Establish complementary systems for commercial processing, including audit-based programs and partnerships with industry to increase security. Explore the merits of a common program.
- 15) Develop an integrated approach to improve security and facilitate trade through away-from-the-border processing for truck/rail cargo (and crews), including inland preclearance/post-clearance, international zones and pre-processing centers at the border, and maritime port intransit preclearance.
- 16) Establish criteria, under current legislation and regulations, for the creation of small, remote joint border facilities. Examine the legal and operational issues associated with the establishment of international zones and joint facilities, including armed protection or the arming of law enforcement officers in such zones and facilities.
- 17) Sign the Agreement on Sharing Data Related to Customs Fraud, exchange agreed upon customs data pursuant to NAFTA, and discuss what additional commercial and trade data should be shared for national security purposes.
- 18) Jointly target marine intransit containers arriving in Canada and the U.S. by exchanging information and analysts. Work in partnership with the industry to develop advance electronic commercial manifest data for marine containers arriving from overseas.
- 19) Work to secure resources for joint and coordinated physical and technological improvements to key border points and trade corridors aimed at overcoming traffic management and growth challenges, including dedicated lanes and border modeling exercises.
- 20) Deploy interoperable technologies in support of other initiatives to facilitate the secure movement of goods and people, such as transponder applications and electronic container seals.
- 21) Conduct bi-national threat assessments on trans-border infrastructure and identify necessary additional protection measures, and initiate assessments for transportation networks and other critical infrastructure.
- 22) Finalize Federal Aviation Administration-Transport Canada agreement on comparability/equivalence of security and training standards.
- 23) Expand Integrated Border and Marine Enforcement Teams IBET/IMET to other areas of the border and enhance communication and coordination.
- 24) Work toward ensuring comprehensive and permanent coordination of law enforcement, anti-terrorism efforts, and information sharing, such as by strengthening the Cross-Border Crime Forum and reinvigorating Project Northstar.

- 25) Establish joint teams to analyze and disseminate information and intelligence, and produce threat and intelligence assessments. Initiate discussions regarding a Canadian presence on the U.S. Foreign Terrorist Tracking Task Force.
 - 26) Implement the Memorandum of Understanding to supply equipment and training that will enable the Royal Canadian Mounted Police to access FBI fingerprint data directly via a real-time electronic link.
 - 27) Address legal and operational challenges to joint removals, and coordinate initiatives to encourage uncooperative countries to accept their nationals.
 - 28) Bring into force legislation on terrorism, including measures for the designation of terrorist organizations.
 - 29) Exchange advance information on designated individuals and organizations in a timely manner.
 - 30) Increase dialogue and commitment for the training and exercise programs needed to implement the joint response to terrorism guidelines. Joint counter-terrorism training and exercises are essential to building and sustaining effective efforts to combat terrorism and to build public confidence.
- **22-Point Agreement:** In March of 2002, President Bush and President Fox announced a 22-point agreement⁴⁶ to build a smart border for the 21st century. This border will embrace technology and enhanced bilateral cooperation to ensure humane, efficient, and modernized management of the border that joins our peoples and our economies. Measures for strengthening cooperation between the U.S. and Mexico were outlined in an action plan with additional measures to be agreed upon (as appropriate) in the future, to advance the following goals: infrastructure that keeps pace with travel and commerce, the secure flow of people, and the secure flow of goods. The 22 points of the agreement follow.
 - 1) Develop and implement a long-term strategic plan that ensures a coordinated physical and technological infrastructure that keeps pace with growing cross-border traffic.
 - 2) Develop a prioritized list of infrastructure projects and take immediate action to relieve bottlenecks.
 - 3) Conduct vulnerability assessments of trans-border infrastructure and communications and transportation networks to identify and take required protective measures.
 - 4) Synchronize hours of operation, infrastructure improvements, and traffic flow management at adjoining POEs on both sides of the U.S.-Mexico border.

⁴⁶Available at www.whitehouse.gov/infocus/usmxborder/22points.html

- 5) Establish prototype smart POE operations.
- 6) Revitalize existing bilateral coordination mechanisms at the local, state, and federal levels with a specific focus on operations at border crossing points.
- 7) Explore joint financing mechanism to meet the main development and infrastructure needs.
- 8) Expand the use of SENTRI dedicated commuter lanes at high-volume POEs along the U.S.-Mexico border.
- 9) Establish a joint advance passenger information exchange mechanism for flights between Mexico and U.S. and other relevant flights.
- 10) Explore methods to facilitate the movement of NAFTA travelers, including dedicated lanes at high-volume airports.
- 11) Reaffirm mutual commitment to the Border Safety Initiative and action plan for cooperation on border safety, established in June 2001. Enhance authorities and specialized institutions to assist, save and advise migrants, as well as those specialized on curbing the smuggling of people. Expand Alien Smuggling and Trafficking Task Force. Establish a law enforcement liaison framework to enhance cooperation between U.S. and Mexican federal agencies along the U.S.-Mexico border.
- 12) Continue frequent consultations on visa policies and visa screening procedures. Share information from respective consular databases.
- 13) Conduct joint training in the areas of investigation and document analysis to enhance abilities to detect fraudulent documents and break up alien smuggling rings.
- 14) Develop systems for exchanging information and sharing intelligence.
- 15) Enhance cooperative efforts to detect, screen, and take appropriate measures to deal with potentially dangerous third-country nationals, taking into consideration the threats they may represent to security.
- 16) Expand partnerships with private sector trade groups and importers/exporters to increase security and compliance of commercial shipments, while expediting clearance processes.
- 17) Continue to develop and implement joint mechanisms for the rapid exchange of customs data.

- 18) Continue to develop a joint in-transit shipment tracking mechanism and implement CSI.
- 19) Develop a technology sharing program to allow deployment of high technology monitoring devices such as electronic seals and license plate readers.
- 20) Continue to develop a joint rail imaging initiative at all rail crossing locations on the U.S.-Mexico border.
- 21) Expand the ongoing Bilateral Customs Fraud Task Force initiative to further joint investigative activities.
- 22) Continue joint efforts to combat contraband, including illegal drugs, drug proceeds, firearms, and other dangerous materials, and to prevent money laundering.

Task Force Observations of Cooperation with Foreign Governments

While on various site visits the Task Force made many observations. The following are examples of cooperation with foreign governments that the Task Force observed.

Vancouver: On July 21, 2003, the Task Force members traveled to Vancouver, Canada and toured Vancouver International Airport and Vancouver Rail Station. While at Vancouver International Airport, the Task Force was given a tour of the pre-clearance process, the INSPASS enrollment center, and the Cruise Ship Transit Facility.

Because the nature of pre-clearance is such that the person, as well as luggage, must be inspected prior to boarding, there are safety concerns. Travelers must first go through the immigration process, and proceed to the customs process with luggage that has not been screened by any agency, including airport security. Security and magnetometers are located after the pre-clearance inspection areas; therefore, neither the individual traveler or their luggage has been screened.

The Cruise Ship Transit Facility located in the airport was impressive, and is the only site where ship pre-clearance is conducted. Travelers are transported from the cruise ship to the airport where they proceed through the transit facility for inspection before leaving for their U.S. destination. Their luggage is off-loaded by cruise ship personnel and secured on a bonded vehicle until it arrives at the airport where it is again screened. This facility is only used for U.S. citizens and Lawful Permanent Residents.

The Task Force also boarded the Amtrak in Vancouver destined for Seattle, where the pre-inspection (immigration process), by legacy immigration inspectors, was conducted and luggage was screened. The lack of complete transition to the "one face at the border" concept and the challenges to be overcome were evident at the rail station. Under the current agreement with Canada, only pre-inspection is allowed; therefore, the train had to stop at the Canada/U.S. border where legacy USCS inspectors boarded and conducted a customs

inspection of everyone on board. CBP is currently trying to negotiate with Canada to resolve this issue.

It is the general feeling of the Task Force that pre-inspection of people and goods at the point of origin rather than upon arrival is beneficial in terms of facilitation, and these programs should be continued and expanded, as appropriate if the issues discussed earlier in Chapter 2 can be ameliorated.

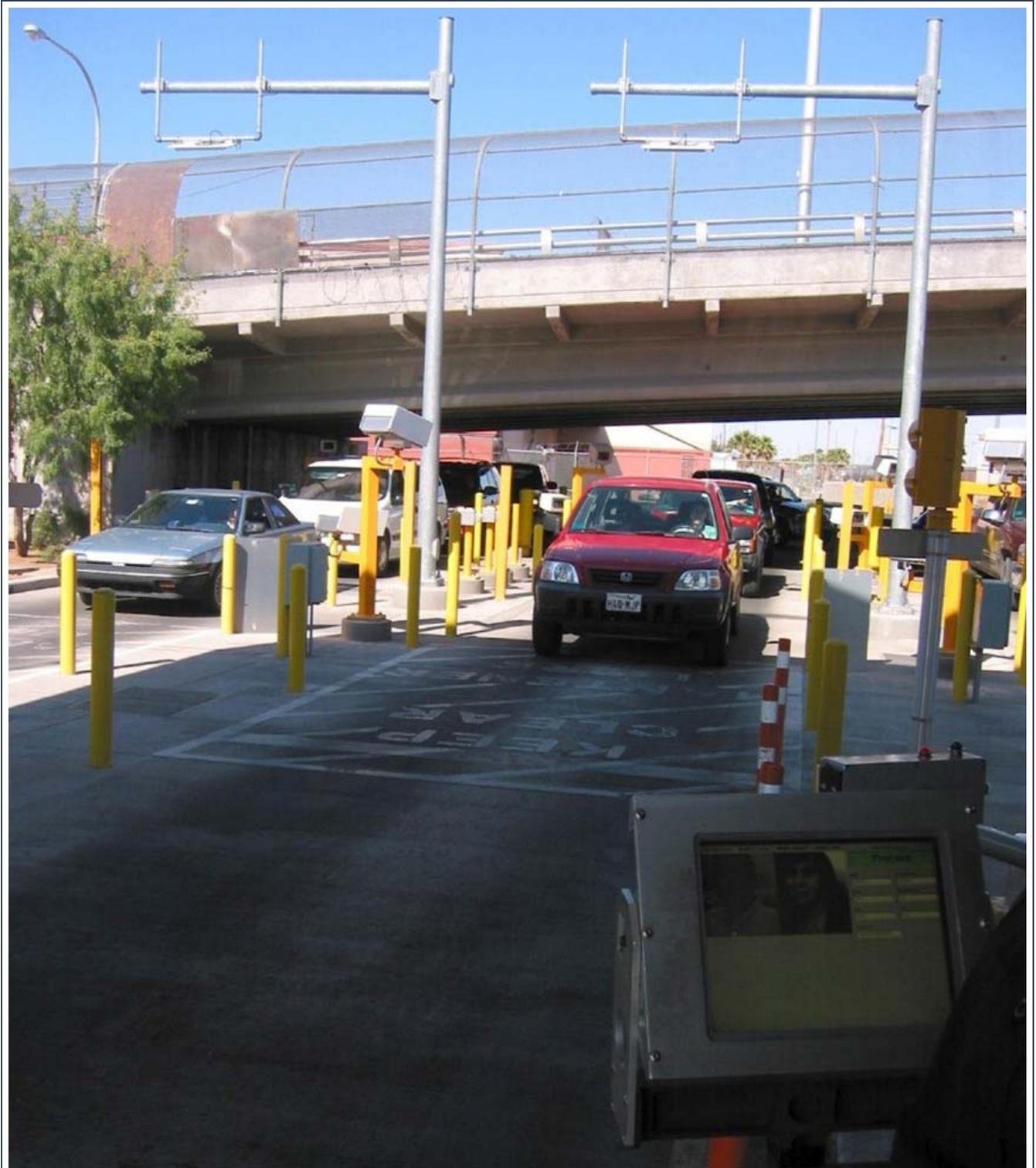
Ciudad Juarez, Mexico: Task Force also saw an excellent example of cooperation with foreign governments while at the U.S. Consulate at Ciudad Juarez, where there is an extensive level of cooperation with, not only Mexican authorities, but with the Mexican and U.S. communities along the border. While the task facing any consular operation can be daunting, Task Force members were impressed by the creativity and results-oriented attitude prevalent among consular staff and their efforts to overcome some of these challenges locally in the Juarez and El Paso communities. One example is the Border Liaison Mechanism discussed earlier in this section.

F. Known Traveler Initiatives

Part of effective border management includes risk management, whereby resources can be optimized to focus on higher risk people and goods, with a lesser degree of focus on lower-risk traffic. While there are various risk management processes utilized by different agencies or bureaus, an area in which there is great commonality involves a concept generally known as “known traveler/goods initiatives.”⁴⁷ These are essentially collaborative efforts between government and the traveler/shipper involving an enrollment, required background checks, security enhancements, etc. Typically, dedicated or expedited lanes and/or a type of identification (transponder, proximity card) are provided to the enrollee to facilitate his or her border crossing. Examples of these initiatives include SENTRI, NEXUS, FAST, BRASS, C-TPAT, and OSC.

Secure Electronic Network for Travelers Rapid Inspection (SENTRI): SENTRI is an effort to encourage and promote low-risk travel, both pedestrian (scheduled for December 2003) and vehicular, through congested POEs. Approved applicants are issued a SENTRI port pass and a transponder for the enrolled vehicle. SENTRI has proven to be immensely popular on the U.S./Mexican border. SENTRI lanes are located at the San Ysidro, Otay Mesa, and El Paso (Stanton Street Bridge) POEs with almost 60,000 people enrolled as of August 2003.

⁴⁷ The term “known traveler/goods” is used throughout this report to refer to people and goods that have undergone certain background checks, increased security measures, and enrolled in programs designed to facilitate low-risk traffic.



SENTRI lanes at Stanton Street dedicated commuter lane bridge between the U.S. and Mexico. Notice the receivers in the lanes above the vehicles, that transmit information to the CBP officer via the screen in the foreground at the primary inspection booth. El Paso, TX. June 2003.

NEXUS: The NEXUS program takes the SENTRI concept even further and allows enrolled known travelers to be expedited at certain northern border crossings. Approved applicants are issued a proximity card with a photo and NEXUS identification. Participants cross the border in a dedicated lane, where they present their identification and proximity card for a limited inspection. NEXUS, a joint program with Canada, has proven to be immensely popular on the U.S./Canada border. NEXUS lanes are located at the following POEs: Peace Arch, Pacific Highway, Point Roberts, Peace Bridge, Rainbow Bridge, Ambassador Bridge, Windsor Tunnel, and Blue Water Bridge. Nexus has almost 50,000 participants enrolled as of August 1, 2003.



Signs indicating the NEXUS-only lanes and instruction for drivers and passengers in non-commercial vehicles entering the U.S. from Canada. Blaine POE. July 2003.

INS Passenger Accelerated Service System (INSPASS): INSPASS is one of the older known traveler initiatives; however, it is still in use at many airports today. Participants are pre-enrolled and a hand geometry biometric is captured. Participants, in effect, inspect themselves upon arrival at an INSPASS-equipped POE by submitting to a hand geometry biometric verification and database check. INSPASS, as mentioned, is an older system, and while based on a sound concept, it has not kept pace with technological developments. Since it is currently the only known traveler program of this kind available at international airports, the program remains in place until it can be replaced by newer technologies or processes. INSPASS was originally deployed at these international airports: Los Angeles, Miami, Newark,

New York (JFK), San Francisco, Washington-Dulles, and pre-clearance sites in Canada at Vancouver and Toronto. INSPASS has 18,000 enrolled.

Free and Secure Trade (FAST) Program: The FAST Program is a joint effort between U.S. and Canadian customs to harmonize C-TPAT and its Canadian counterpart, Partners in Protection (PIP), under the FAST program. Although registration in PIP and in C-TPAT independently will likely be necessary for carriers to get expedited clearance by customs officers on both sides of the border, the goal of FAST will be to minimize the burden on participants of having to register for both programs. Although still under discussion, once registered for both programs, carriers may submit information required for both programs through a single registration.

The Border Release Advanced Selectivity System (BRASS): BRASS tracks and releases highly repetitive shipments at certain land border locations. CBP scans a bar code into a personal computer, verifies that the bar code matches the invoice data, enters the quantity, and releases the cargo. The cargo release data is transmitted to ACS, which establishes an entry and the requirement for an entry summary and provides Automated Broker Interface (ABI) participants with release information.

Prearrival Processing Systems (PAPS): PAPS is a system that facilitates the crossing of enrolled carriers by separating them from trucks who do not participate before they reach the POE. Carriers who participate in PAPS can proceed directly to the U.S. primary inspection point without waiting behind others who still need to complete paperwork. While goods are still in Canada:

- The carrier affixes a unique bar code to each commercial invoice and truck manifest.
- The bar coded invoice(s) are then faxed to the appropriate U.S. customs broker.
- The U.S. customs broker prepares a border cargo selectivity entry in ACS.
- The carrier then proceeds to the U.S. border with the bar coded invoice(s) and manifest. At the primary inspection, the officer wands the bar code with a light pen and receives instant notice whether to examine the cargo based on the bar code. A "No Exam" notice allows the carrier smooth travel into the U.S.

Bar code processing is now available to all carriers crossing the Peace Bridge into the U.S.

Task Force Observations of Known Traveler/Goods Initiatives

San Ysidro/Otay Mesa: The Task Force observed the SENTRI Program at San Ysidro and Otay Mesa during the site visit there in May 2003. The SENTRI Program has been very successful, and personnel at both POEs were supportive of the program. There are over 42,000 people enrolled in the SENTRI program at San Ysidro and Otay Mesa, and 10 percent of the total traffic at San Ysidro is SENTRI traffic. Since its inception, there have only been 2-3 enforcement actions. Currently, there are two (out of 24) lanes dedicated to SENTRI traffic,

but the feeling is that at least two more lanes are needed. Otay Mesa has one dedicated lane and houses the SENTRI enrollment center. Currently there is no consistent funding for the SENTRI program, so its managers must rely on periodic infusions of funds for operation and enhancements.

El Paso: The Task Force visited a third SENTRI site in El Paso, Texas, in June 2003. The Stanton Street Bridge is a northbound crossing for SENTRI users only. The Task Force observed that the traffic was flowing with no visible delays, but Task Force members felt that the SENTRI Program was not being used to the greatest extent possible due to high fees to access the lanes. The Task Force believes that these issues must be explored in conjunction with the government of Mexico to maximize enrollment and minimize costs to the participants.

Vancouver Canada: The Task Force saw INSPASS first-hand at the Vancouver International Airport. The INSPASS enrollment center there processes 400 new applicants and 700 renewals yearly (as of July 2003). Approximately 300 travelers a day use INSPASS at Vancouver in contrast with the 12,000 travelers who do not. The INSPASS inspection is an automated self-inspection at a designated kiosk next to the primary inspections booths. There are concerns that enrollees are not able to see those kiosks until after they're waited in line with the general public, in effect undermining the purpose of the INSPASS concept. At times when INSPASS kiosks are not operational, due to connectivity problems, INSPASS members are routed to a designated primary booth for inspection.

Pacific Highway and Peace Arch: On July 22, 2003, the Task Force traveled to the Washington State land border and toured the Pacific Highway and Peace Arch POEs. The NEXUS enrollment center, located at the Pacific Highway POE, is staffed with both CBP officers and Canadian officers. The Task Force was impressed with the two-week turnaround for enrollment in the program. The Pacific Highway and Peace Arch POEs both have NEXUS lanes. When the Task Force members toured the Pacific Highway POE, a lack of proper signage designating the NEXUS lanes, as one approaches the port, was evident.

The Task Force believes that known traveler/goods programs should be promoted and expanded, perhaps with a coordinated outreach program. Some considerations in doing so are:

- Flexibility at local levels to accommodate enrollment services consistent with local needs (i.e., some offices may need different hours due to the nature of traffic, others may need to coordinate with adjacent ports, etc.);
- Standardization and installation of easily recognized signage far enough in advance to avoid delays caused by last-minute lane changes;
- Flexibility to adjust existing lane usage to convert from regular to DCL lanes and back wherever practical to meet changing traffic needs;
- Expansion of current programs, where warranted, to include other modes of transportation such as cruises, ferries, and upgrades to airport programs;

- Promotion of benefits of enrollment in these types of programs through education, advertising, and other outreach methods to increase enrollment and process more eligible, low-risk traffic quickly. This is especially significant for POEs with often limited and congested facilities and access infrastructure; and
- While having separate efforts enables flexibility and resourcefulness, they need to be coordinated and integrated so that complementary solutions are developed and industry is not faced with a weltering array of requirements and programs.

G. Outreach

Of all the issues explored by the Task Force involving cooperation and coordination, the issue of more proactive, coordinated outreach is by far the one most often raised by industry and local community leaders. The Task Force has heard repeatedly throughout their site visits that outreach is a critical need, requiring more effort and vital to the economic security of many industries, communities, and the nation as a whole.

Senior officials have made very visible efforts to improve processes and services as well as security. Websites are used, town hall meetings are held across the country, and other methods of outreach are utilized daily by officials. An example of a successful outreach initiative is the DHS Ready Campaign. The Ready Campaign is a national multimedia public information program designed to give Americans the basic tools they need to better prepare themselves and their families to "Be Ready."

However, Task Force member observations and experiences indicate that a more systematic, integrated approach between government agencies and their partners in the border management arena could be utilized to more effectively communicate.

Task Force Observations of Outreach

The following are general observations that Task Force members made concerning outreach.

- The development and implementation of the US-VISIT program generates many new requirements. The Departments of State and Homeland Security need to communicate these changes directly to the general public, both here in the U.S. and abroad. These communication requirements are particularly important for the passenger side of travel. With tens of millions of visitors every year, the federal government must make a concerted effort to educate the international traveling public about these new changes. No policy will work if the people it affects do not know what they need to do to comply. Without such communication, front line inspectors will be swamped by travelers (who do not always understand English) with no idea of what they are supposed to do upon arrival. Or worse yet, they will not even bother to visit the U.S.
- Timing is particularly important in regards to international travelers. The average international traveler books their trip to the U.S. two to three months in advance. International tour operators, who sell package trips to the U.S., purchase their tour

elements 12 to 18 months in advance. International organizations planning to hold their conferences and conventions in the U.S. do so as much as three years in advance. The earlier international travelers, tour operators, and organizations learn of changes in requirements, the better they will be able to incorporate those changes into their itineraries and avoid disruptions. Ultimately, an educated traveler can make a big difference in the efficiency of any entry/exit system. Government and industry must work together to develop an extensive and proactive outreach program to communicate with visitors to the U.S.

- An excellent example of an outreach program is TSA's "Prepare for Takeoff" campaign that was run in the fall of 2002 in advance of the busy Thanksgiving Day travel. TSA prepared handouts, signage, and education packets on the new baggage screening requirements; they reached out to industry organizations, companies, and made a concerted effort to have the news agencies announce the new requirements. Because of this intensive education campaign, domestic travelers were prepared for the new baggage requirements.
- Routinized system template, i.e., checklist of people and organizations that need to be "touched" should be used. Such a template should make clear what the nature of communications should be. A phone message is not sufficient to meet the test of communication. (See information later in this chapter about a model concept for cooperation and coordination.)
- Government and industry must work together to develop an extensive and proactive outreach program to communicate with visitors to the U.S.

The Task Force feels that part of successful outreach is a matter of leveraging the communication channels already available to federal, state, and local governments and industry to improve outreach and communications to travelers and the business communities both in and out of the U.S. The following avenues of communication, although not all-inclusive, represent some of the expertise of the Task Force organizations that they employ successfully, and are available and could be leveraged to enhance outreach.

Travel Industry Association of America (TIA): As the umbrella organization that represents all segments of the U.S. travel and tourism industry, TIA is well positioned to be the lead private sector organization to initiate activities to increase cooperation, coordination, and communication in the area of traveler facilitation. Any new rules or procedures for international travelers planning to visit the U.S. can be communicated to overseas private sector companies and international travelers through a variety of TIA programs and communications channels such as the following:

- Formal relationships with Visit USA Committees in 40 countries;
- Participation with the World Tourism Organization;
- The International Pow Wow ®, a premier international marketplace show for travel;

- Web sites: www.tia.org and www.seeamerica.org;
- E-Newsline newsletter;
- Direct work with international media throughout the world; and
- Committees (Marketing, Communications, Government Affairs, National Council of State Tourism Directors, etc.).

Department of State (DOS): In April 2003, DOS created and went live with a new web site (www.unitedstatesvisas.gov), which is described as “an official source of information about U.S. visa policy and procedures.” Travelers are encouraged to, “Use this site to learn about the visa application process, understand current requirements, and get updates on recent developments.” The site will be made available in five additional languages other than English: French, Spanish, Arabic, Russian, and Chinese. This web site links to the main DOS web site at travel.state.gov for additional detailed information on visa and travel issues.

DOS consular offices in U.S. embassies and consulates abroad provide visa and other travel information directly to international travelers, and such information is also available on web sites of embassies and consulates. DOS officers in Washington participate in outreach activities across the U.S. to provide expert visa and related information to interested parties, such as American Immigration Lawyers Association, the Association of International Educators, local chambers of commerce, trade organizations, etc.

Department of Commerce: The Communications Committee of the Tourism Policy Council could be used to initiate communications with industry regarding changes and consideration of changes to the US-VISIT program, documentation requirements for international travel to and from the U.S., and other related issues. This Committee would also coordinate with the U.S. Chamber of Commerce, TIA, the National Governors Association, the National Association of Counties, the International Association of Convention and Visitor Bureaus, the U.S. Conference of Mayors and any other industry-related organizations that could help ensure clear communications with the traveling public.

The Office of Travel and Tourism Industries in the U.S. Department of Commerce serves as the Secretariat for the Tourism Policy Council and could be the central point of coordination for a proactive communication plan which would incorporate communications as federal notices are prepared, regulation guidelines are being considered, or as mandated changes are being imposed.

The Department of Commerce can also use the commercial service officers throughout the world (at 151 offices in 83 countries) and throughout the U.S. (at 105 U.S. domestic offices) to communicate information. These officers already interact with the in-market Visit USA Committee comprised of private sector representatives of tourism-related businesses. The officers work closely with the consular officers in-market, and their link to the private sector brings the added value of input and assistance as policies are being considered or even implemented.

U.S. Customs and Border Protection (CBP): CBP is actively involved in outreach to both the traveling public and the industry. CBP encourages traveler's feedback on their experiences through the use of comment cards. CBP comment cards are available at all POEs, on-line at the CBP website, and provided to the traveler after every secondary baggage examination. A CBP Passenger Service Representative is available to assist travelers with CBP issues and concerns at large airports. Through many of its initiatives, such as FAST, CBP relies significantly on industry participation in the process to assess the effectiveness and recommend improvements.

The Canadian/American Border Trade Alliance (Can/Am BTA): The Can/Am BTA provides a bi-national forum mobilizing an effective and responsive public/private partnership focus on U.S./Canadian border and border crossing capabilities. Can/Am BTA does the following:

- Interacts on a regular basis with federal, state, provincial, and local government officials;
- Holds conferences in Ottawa every May and Washington, D.C. every September involving U.S./Canadian officials and industry to discuss current issues and initiatives;
- Holds regional conferences and events at differing locations;
- Conducts trade corridor and border gateway meetings involving major north/south corridor and gateway related organizations; and
- Coordinates best practices and priorities along the northern border.

The Border Trade Alliance (BTA): The BTA prides itself on its numerous collaborative efforts with various segments of the public and private sectors as the organization strives to improve border regions' quality of life. BTA holds numerous regional forums each year in border communities where, in a town-hall-style setting, they facilitate dialogue between key decision makers and border community residents who are most impacted by border policy.

BTA also consults with industry when their initiatives may affect border communities and the trade community. This includes commenting on new technology to be deployed at the border and facilitating interaction with the users of that technology.

In fiscal year 2001 the organization earned a federal grant to assess the future health of the Southwest border region in the areas of small business development, affordable housing, and the bridging of the digital divide. In preparing that assessment, the BTA convened numerous focus groups comprised of such key stakeholders as bankers and homebuilders. The organization also collaborated closely with FannieMae and the Rio Grande Valley Empowerment Zone.

Finally, the BTA is often called upon as a sounding board for Members of Congress as they draft legislation affecting the U.S./Canada and U.S./Mexico borders. BTA is seen as a respected source of opinion on cross-border affairs on Capitol Hill.

National Association of Counties (NACo): NACo publishes a bi-weekly newspaper, *County News*, with a base circulation of 26,000 county addresses. It is estimated that nearly 40,000 additional officials read it when delivered. It is also provided electronically through e-mail distribution and appears on the NACo website. The NACo website receives 450,000 hits and over 48,000 page views each day. Through NACo's *Leadership Letter to the Board of*

Directors (distribution 200) and the *Legislative Bulletin* (distribution 1,000), county officials are regularly provided with information affecting their counties. NACo is also able to reach out to the Large Urban County Caucus (which represents the 100 largest counties in America) and the Rural Action Caucus (which represents the 2,489 rural counties).

Airports Council International—North America (ACI-NA): ACI-NA offers the pre-eminent North American airport forum for the exchange of ideas and information. Its staff is headquartered in Washington, D.C., and Ottawa, Canada, providing ACI-NA with direct access to the federal government, industry partners and related aviation associations. As a member association, ACI-NA helps its members develop common positions and communicate them among the government, the press and the general public. The mission of ACI-NA states that ACI-NA shall identify, develop, and advance common policies and programs for the enhancement and promotion of airports and their management that are effective, efficient, and responsive to consumer and community needs.

Air Transport Association: Headquartered, in Washington, D.C., the Air Transport Association develops common positions and communicates them, providing an interface between its members and various government, media, public, and private-sector organizations, representing its members on major aviation issues in the technical, legal, and political arenas. Its activities are designed to advocate, support, and facilitate measures that enhance aviation safety, ensure efficiency, foster growth, and protect the ability of the airline industry to invest in the future, in order to meet the needs of its customers.

National Governors Association (NGA): The federal government should consult with states whenever federal legislation or agency actions impact the flow of commerce and traffic along U.S. land borders. Governors (particularly those in border states) are essential partners to the implementation of "Smart Border" improvements designed to increase the safety, security, and efficiency of border crossings; to improve border safety and security by distinguishing between low- and high-risk traffic; and to support the deployment of systems and staff resources to expedite the former and scrutinize the latter. With the ongoing implementation NAFTA, it is equally important for federal, state, provincial, and local governments to collaborate when providing adequate transportation infrastructure and secure processing at border crossings. Specifically, governors call on the federal government to deploy the best possible border crossing technologies; to increase customs and immigration staffing at key border crossings for secure and effective handling of increasing volumes of commercial and tourist traffic; to create joint inspection facilities to speed the flow of low-risk commercial traffic; and to otherwise create innovative transportation infrastructure and technologies to facilitate the safe, secure, and efficient flow of trade across our borders.

American Association of Port Authorities (AAPA): The AAPA regularly partners with other associations in pursuit of common goals. An example of this partnership is a training seminar that was hosted by ICCL, the Florida-Caribbean Cruise Association and AAPA to discuss the implementation of new international security requirements. The seminar was held June 25-27, 2003, in Jamaica to help our international members prepare for implementation of the International Ship and Port Facility Security Code (ISPS) in July 2004. The ISPS Code provides a standard global security framework that will enable ports, shipping companies, and

governments to operate on equal preparedness and response levels. The IMO developed the ISPS Code to implement maritime and port security regulations in response to heightened security issues since September 11, 2001.

International Council of Cruise Lines (ICCL): ICCL, Cruise Lines International Association, North West Cruiseship Association, and Florida-Caribbean Cruise Association have formed a joint communication initiative to educate the public and travel agents about the multifaceted, global nature of the North American cruise industry. A key component of this initiative is to inform and educate travel agents on changing government issues that their customers will need to know relating to new identification and visa requirements, and security and safety procedures at ports and onboard vessels. This information provides travel agents with the tools to respond to customer/prospect inquiries.

H. Model Concept for Cooperation and Coordination

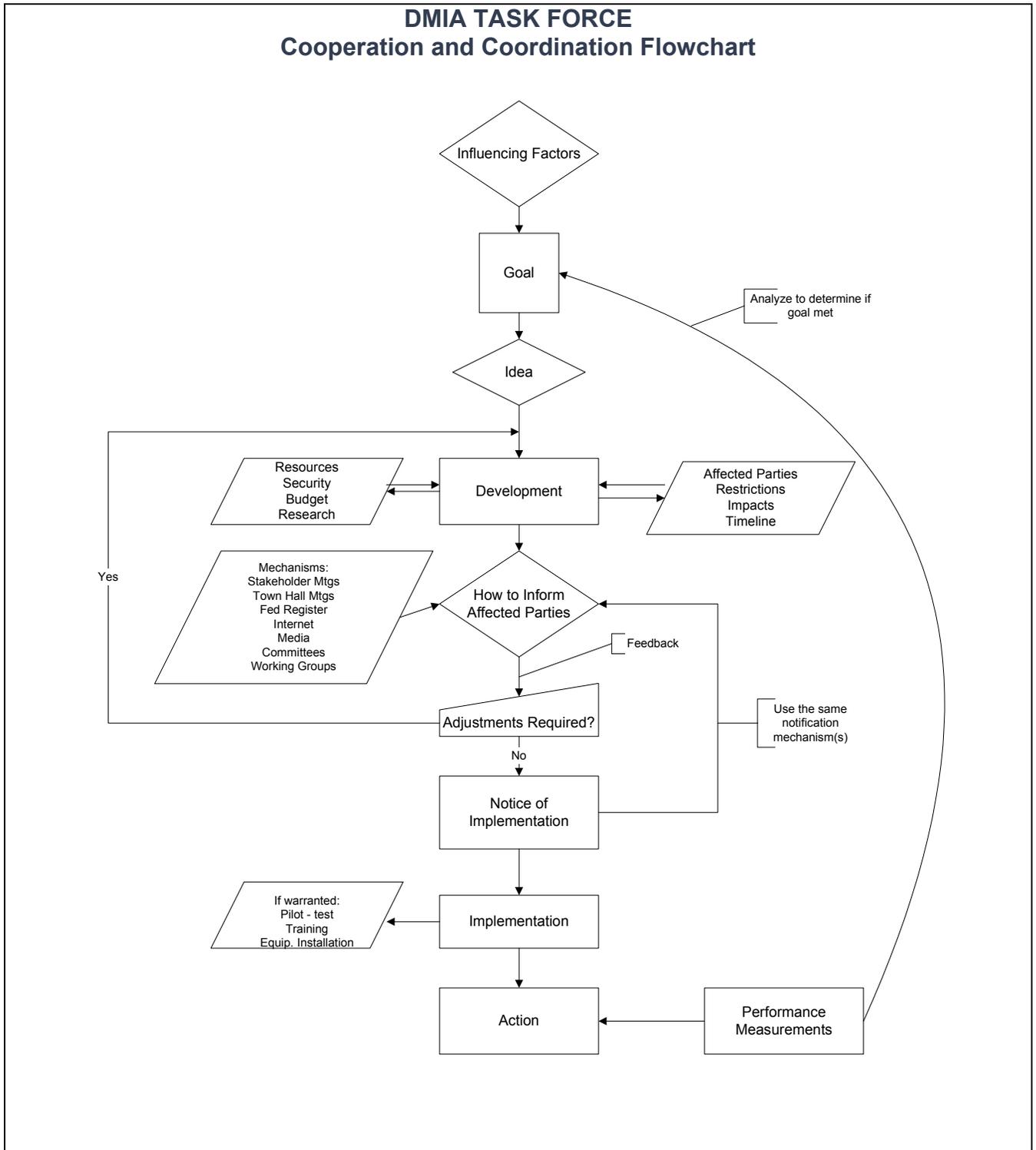
Cooperation and coordination is critical at many levels. On a national level, DHS was established to unite the incoming agencies in the mission of protecting the U.S.; on an international level, governments must work together to ensure the safety of cargo and travelers. Successful cooperation and coordination at every level includes effective coordination with partners and stakeholders in state and local governments, private industry, and communities.

How Cooperation and Coordination Works

Successful cooperation and coordination can be accomplished by identifying existing organizations and individuals who have proven track records and achievements in their areas and enlisting them where appropriate to provide joint or alternative solutions to challenges.

The Task Force has developed the following flowchart that demonstrates a model for effective cooperation and coordination mechanisms. Effective mechanisms start by considering the influencing factors that identify the particular situation or need to determine the goal of the mechanism. An idea is formed, and then developed through research and consideration of influencing factors. Next, the outreach phase begins, which includes feedback and adjustments based on this feedback. Only then is the idea implemented, using a pilot when necessary. The process concludes with performance measurements that evaluate how well the action met the purpose or goal of the mechanism.

The flowchart below illustrates this process and is followed by an example of how it can be implemented.



Using the Process, the Nogales Cyberport Project

The following narrative on the Nogales CyberPort Project⁴⁸ illustrates how the preceding model can be used as a template, adjusting as necessary to accommodate the issue or circumstances, for successful cooperation and coordination.

The Nogales CyberPort Project was derived from creative input from bi-national industry and agency stakeholders and detailed analyses of legal, logistical, and commodity-flow issues. Sponsored by the Arizona Department of Transportation and conducted by the University of Arizona Office of Economic Development, the CyberPort is multinational in its approach and considers the impacts of cross-border traffic at the local, state, and regional levels.

Influencing Factors: Recent threats to homeland security encouraged a redesign of the port to incorporate the latest and most technologically advanced inspection and detention methods to ensure a safe and secure border while facilitating the flow of commerce between the U.S. and Mexico. U.S.-Mexico trade has increased significantly since the NAFTA agreement was signed, but trade through Arizona has not grown at the same rate as the entire U.S.-Mexico border trade. The Arizona Governor's CANAMEX Task Force commissioned the Nogales CyberPort Project in order to position the state into a national and global leader in the trade flow process; a primary focus was looking at possible improvements with the Nogales POE, a principal gateway for U.S.-Mexico trade.

Goal: The goal of the CyberPort in Arizona is to increase the capacity of Nogales, San Luis, and Douglas to serve as safe, secure, and efficient gateways between the U.S. and Mexico.

Idea: The CyberPort concept optimizes a mix of consolidation and decentralization of border-crossing procedures at locations throughout the trade-flow process where each is the most appropriate, efficient, and effective. The CyberPort concept integrates the modernization of technology, logistics, and infrastructure along with reforms in the procedural and regulatory environment.

Development: The CyberPort concept began with the identification of basic guiding principles and an organizational framework for the ideal U.S.-Mexico trade-flow process by a group that consisted of 12 project partners and 12 invited port experts.

Outreach: Constant outreach and feedback from a variety of agencies and organizations throughout the development of the CyberPort process was done to assure that the concept is able to meet the wide range of needs by a multitude of stakeholders.

Notice of Implementation: Pending

Implementation: Pending

⁴⁸ Further information available at www.oed.arizona.edu

I. Conclusion

The Task Force considered all of these issues and has the following specific recommendations:

Recommendation 3

Congress should review all federal agencies that are conducting inspections at POEs but are not currently part of DHS to ensure coordination of relevant responsibilities.

The Federal Government must apply its policies and procedures so that they are consistent in their respective POE environment.

Recommendation 4

Expand and enhance initiatives that “push back the border” in order to increase national security and the facilitation of the lawful entry of people and goods.

Recommendation 5

Promote, expand, and improve initiatives that identify, enroll, and expedite known, low-risk travelers and cargo. These programs should maximize enrollment and minimize cost to the participant while still ensuring security and the vitality of the programs.

Recommendation 6

Continue to improve communication mechanisms for discussion and coordination among federal, state, and local governments and industry. As appropriate, consult widely with these same entities in the formulation of public policy prior to implementation.

Government and industry must work together to develop an extensive and proactive outreach program to communicate with the traveling public.

Recommendation 7

Establish and fund joint federal, state, and local operation centers to coordinate security and first responder efforts with relevant foreign and domestic governments and industry partners as necessary.

Recommendation 8

Expand and enhance the utilization of passenger analysis units and joint passenger analysis units and assure that they have the personnel and resources to function effectively. Consideration should be given to expanding the participants in the joint passenger analysis units.